THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The State Government while submitting the report on 11th Finance Commission, had requested for abolition of all Centrally Sponsored Schemes and transfer of the money currently being spent on the Schemes to the State.

(d) Planning Commission had undertaken a Zero Based Budgeting (ZBB) exercise in consultation with Central Ministries/Departments which was presented in the meeting of the National Development Council Committee on Transfer of Centrally Sponsored Schemes (CSS) held on 21.8.2002. As per the ZBB exercise out of 360 CSS in existence in the Ninth Plan, 9 CSS have been identified for transfer to the States, 49 CSS are to be weeded out, 161 CSS would be merged into 53 CSS. AS a result in the 10th Plan, 194 CSS would be in operation. Out of the 9 schemes identified for transfer two schemes pertaining to Ministry of Rural Development *viz.* National Social Assistance programme and Annapurna have already been transferred to the States and Additional Central Assistance have been provided to States for implementing these schemes with considerable flexibility and freedom of choice granted to the States in implementing these schemes.

Reduction in administrative staff of PSUs

3277. SHRI R.P. GOENKA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) what is the actual ratio of management costs to total sales in PSUs;

(b) how far does this ratio differ from the norms; and

(c) how does Government propose to reduce the excess administrative staff which has made the PSUs top heavy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The information is being collected and will be laid on the table of the House.

Rate of tax on diesel and petrol

†3278. SHRI KAPIL SIBAL:
SHRI RAM JETHMALANI:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

†Original notice of the question was received in Hindi.

(a) whether it is a fact that the rate of tax on diesel & petrol in India is higher than that of America, France, UK etc.,

(b) if so, the Government's reaction thereto;

(c) what is the percentage of tax, cess and surcharge on basic prices of above products in India; and

(d) the percentage of such tax, cess and surcharge in America, England and France?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) It is not possible to comment on whether the rate of tax on diesel & petrol in India is higher than that of America, France, UK, etc. as information relating to tax rates in these countries is not readily available.

(b) The rates of domestic taxes are determined by the need to generate revenue. In the case of diesel & petrol, the revenue generated is also used to subsidise kerosene and LPG. Besides, the cess is used for the purpose of funding road development. Thus the domestic tax rates do not have to be fixed on the basis of tax rates applicable in other countries.

(c) The rates of central excise duty, additional duty of excise (cess), surcharge and basic customs duty in India are as under:

	Diesel	Petrol
Central Excise duty	14%	30% (16% Cenvat+14% special excise duty)
Cess	Rs. 1.50 per litre	Rs. 1.50 per litre
Surcharge	Nil	Rs. 6 per litre*
Basic Customs duty	20%	20%

*However, surcharge on petrol, intended for use in the manufacture of 5% ethanol doped petrol is Rs. 5.70 per litre.

In addition, the State governments levy sales tax on these products which vary from state to state. The present rate of sales tax in Mumbai on diesel is 34% plus Re. 1 per litre and on petrol is 30% plus Re. 1 per litre.

(d) The information relating to tax rates in America, England and France is not readily available.